

Message Text

CONFIDENTIAL

PAGE 01 STATE 207584
ORIGIN ARA-14

INFO OCT-01 AF-10 ISO-00 SSO-00 SS-15 CCO-00 /040 R

DRAFTED BY ARA/ECP:JBUSHNELL:SAB
APPROVED BY ARA:SSHELTON
-----120186 302309Z /75
Z 302239Z AUG 77 ZFF4
FM SECSTATE WASHDC
TO AMEMBASSY NAIROBI FLASH

C O N F I D E N T I A L STATE 207584

E.O. 11652: GDS

TAGS: ECON, KE

SUBJECT: TRIP REPORT TO THE PRESIDENT

1. AS THE NSC HAS CALLED FOR A PRESIDENTIAL DECISION
MEMO ON CARIBBEAN AID MODALITIES, AMOUNTS AND COORDINATION
THIS WEEK, IT IS URGENT TO FORWARD YOUR TRIP REPORT TO THE
PRESIDENT. THE FOLLOWING DRAFT HAS BEEN PREPARED BY
EINAUDI AND BUSHNELL IN ARA WITH INPUTS FROM NSC, USUN,
AND AID. WOULD APPRECIATE YOUR REVIEWING AND SENDING TO
THE PRESIDENT.

QUOTE. YOU WERE ABSOLUTELY RIGHT ON THE IMPORTANCE OF
VISITING THE CARIBBEAN TO ADVANCE THIS ADMINISTRATION'S
POLICY OF SIGNIFICANTLY IMPROVING US RELATIONS WITH THIS
IMPORTANT AREA SO CLOSE TO US.

THREE FACTORS STRONGLY IMPRESSED ME:

--ALTHOUGH THIS IS A VERY DIVERSE AREA OF SMALL COUNTRIES,
DEMOCRATIC INSTITUTIONS AND PROCEDURE ARE WELL ENTRENCHED
WITH GOOD HUMAN RIGHTS IN MOST COUNTRIES; EVEN IN THE MOST
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 STATE 207584

DIFFICULT HUMAN RIGHTS COUNTRIES, HAITI AND THE DOMINICAN
REPUBLIC, MY TRIP WAS USEFUL IN GETTING MEANINGFUL FORWARD
MOVEMENT. IN SHORT, THE CARIBBEAN AREA HAS THE LARGEST

GROUP OF BASICALLY DEMOCRATIC COUNTRIES IN THE ENTIRE

DEVELOPING WORLD. THEY SHOULD BE AMONG OUR MOST ACTIVE

SUPPORTERS ON MANY UN ISSUES.

--THE ECONOMIC AND SOCIAL PROBLEMS OF THE AREA ARE IMMENSE; PLANTATION AGRICULTURE AND SPECIAL TRADE TIES TO A MOTHER COUNTRY ARE IN AN ADVANCED STAGE OF BREAKDOWN; ECONOMIC CLASS STRUCTURE IN PART ALONG RACIAL LINES IS ALSO BEGINNING TO BREAKDOWN; THERE IS A REAL DANGER THAT ECONOMIC AND SOCIAL PRESSURES AND THE PETTY POLITICAL JEALOUSIES WILL CAUSE INSTABILITY AND THE LOSS OF OPPORTUNITIES TO ATTAIN THE MODERN LIFE STYLES WHICH THE BASIC RESOURCES OF THE AREA COULD SUPPORT; AS THE EUROPEAN COUNTRIES--PARTICULARLY THE UK--WITHDRAW FROM THE AREA, A CONSTRUCTIVE APPROACH BY THE US CAN BE A CRITICAL CATALYST FOR CONSTRUCTIVE ACTION.

--WITH THE EXCEPTION OF HAITI AND PERHAPS PART OF THE DOMINICAN REPUBLIC, MOST OF THE COUNTRIES IN THE CARIBBEAN AREA ARE NOT TYPICAL OF THE DEVELOPING WORLD; IN FACT THEY ARE CLOSE TO US PSYCHOLOGICALLY AND ECONOMICALLY AS WELL AS GEOGRAPHICALLY. LITERACY IS HIGH, TRADITIONAL CULTURES HAVE BROKEN DOWN, INTELLECTUAL AND ECONOMIC CONTACTS WITH THE OUTSIDE ARE GREAT; THE PEOPLES OF THESE COUNTRIES ARE PREPARED AND WANT TO BE PART OF THE MODERN WORLD SOCIETY; THE SMALL SIZE OF THEIR COUNTRIES VIRTUALLY REQUIRES THAT THEY TRADE WITH THE WORLD TO BE VIABLE. ALTHOUGH POVERTY AND UNEMPLOYMENT
CONFIDENTIAL

CONFIDENTIAL

PAGE 03 STATE 207584

ARE HORRENDOUS PROBLEMS IN MOST OF THESE COUNTRIES AND POPULATION IS GROWING VERY FAST, THEIR PER CAPITA INCOMES ARE NOT LOW BY WORLD STANDARDS BECAUSE THEY ARE TRADING COUNTRIES, HAVE NATURAL RESOURCES, AND HAVE A RAPIDLY DEVELOPING MIDDLECLASS.

THE TIMING OF MY TRIP WAS POLITICALLY IDEAL. THE LARGER COUNTRIES OF THE ENGLISH-SPEAKING CARIBBEAN HAVE HAD GREAT ECONOMIC TRAUMA DURING THE PAST FEW YEARS, IN PART BECAUSE THE POPULAR DEMANDS FOR MORE SOCIAL SERVICES WERE OUTRUNNING THE ABILITY OF THEIR ECONOMIES TO FINANCE THEM. THEY HAVE EXPERIMENTED WITH VARIOUS FORMS OF NATIONALIZATION, CARTEL-ACTION, AND OPENINGS TO COMMUNIST SUPPORT. I BELIEVE THEY HAVE LEARNED THAT THERE ARE NO PANACEAS IN ANY OF THESE APPROACHES AND THEIR CONTINUED EXPERIMENTATION WITH LOCAL BRANDS OF STATE CONTROL OVER ECONOMIC ACTIVITY WOULD BECOME COMPATIBLE WITH OUR OWN INTERESTS.

OUR ADMINISTRATION'S EMPHASIS ON HUMAN RIGHTS AND GREATER FLEXIBILITY ON ECONOMIC MODALITIES HAVE RAISED HOPES THAT RELATIONS WITH US COULD BE IMPROVED AND THAT WE HAVE MUCH

IN COMMON. IN GUYANA WE CONFIRMED THIS BASIC IMPROVEMENT IN RELATIONS INDICATING THAT OUR INTEREST IN HUMAN RIGHTS AND DEMOCRATIC INSTITUTIONS OVERRODE ANY CONCERNS WITH THE FORM OF ECONOMIC ORGANIZATION. IN JAMAICA WE SIMILARLY SHOWED OUR SUPPORT FOR MANLEY'S MIDDLE-OF-THE-ROAD APPROACH.

SOME OF THE MOST INTERESTING MOMENTS OF THE TRIP WERE IN COSTA RICA AND VENEZUELA. THESE DEMOCRATIC COUNTRIES ON THE PERIPHERY SEE THE CARIBBEAN AS PERHAPS THEIR ONLY WINDOW TOWARD DEMOCRATIC NEIGHBORS. OPEN AND PROSPEROUS COUNTRIES IN THE CARIBBEAN WOULD CONTRIBUTE GREATLY TO THEIR FEELING OF SECURITY. THEY BELIEVE ONLY THE US CAN
CONFIDENTIAL

CONFIDENTIAL

PAGE 04 STATE 207584

PLAY THE KEY ROLE IN PROMOTING INTEGRATION AND COOPERATION IN THE CARIBBEAN AREA, AND THEY ARE WILLING TO COOPERATE FULLY WITH US. PRESIDENT ODUBER HAS A DREAM OF A DEMOCRATIC AND ECONOMICALLY PROSPEROUS CARIBBEAN WITH THE FULL COOPERATION BETWEEN THE ENGLISH AND SPANISH SPEAKING COUNTRIES AS A LOGICAL BRIDGE BETWEEN THE US AND LATIN AMERICA. THIS IS A DREAM WHICH WE MIGHT SHARE AND WORK TOWARD. THESE COUNTRIES CAN BE A BRIDGE, NOT ONLY TO LATIN AMERICA, BUT TO THE ENTIRE DEVELOPING WORLD.

EXISTING LINKS WITH THE US ARE GREAT EVEN THOUGH THE SMALL SIZE OF THESE COUNTRIES MAKES OUR RELATIONSHIPS VERY ASYMMETRICAL. WE DEPEND ON THEM FOR MOST OF OUR BAUXITE AND MUCH OF OUR SUGAR. THEY DEPEND EVEN MORE ON US FOR TOURISM, PRIVATE INVESTMENT, AND TRADE. MIGRATION TO THE US IS LARGE. AFTER MEXICO THESE COUNTRIES GENERATE THE MOST UNDOCUMENTED ALIENS. SOME COUNTRIES, SUCH AS JAMAICA, HAVE BEEN LOSING AS MUCH AS ONE PERCENT OF THEIR POPULATION A YEAR TO EMIGRATION. THIS ESCAPE VALVE HAS BEEN CLOSING (ESPECIALLY IN THE UK) JUST AS STAGNANT ECONOMIES HAVE MADE UNEMPLOYMENT EVEN WORSE.

CAREFUL THOUGHT MUST BE GIVEN TO OUR ON-GOING APPROACH TO THE REGION, INCLUDING PARTICULARLY AID, TRADE, AND POLITICAL ATTENTION. WE HAD SOME PRELIMINARY DISCUSSIONS ON ORGANIZATION OF AN AID CONSORTIUM TO BRING TOGETHER THE MULTILATERAL INSTITUTIONS AND THE RICHER COUNTRIES IN THE REGION SUCH AS TRINIDAD AND VENEZUELA. EACH COUNTRY, HOWEVER, HAS ITS OWN IDEAS, WITH TRINIDAD PROPOSING USING THE IMF, AND VENEZUELA THE INTER-AMERICAN BANK, FOR COORDINATION. WE ALSO FOUND THAT THE MUCH
CONFIDENTIAL

CONFIDENTIAL

PAGE 05 STATE 207584

SMALLER CARIBBEAN DEVELOPMENT BANK IS DOING SOME
EXCELLENT WORK.

- - - - -

MORE THOUGHT SHOULD BE GIVEN TO WHAT NEEDS TO BE DONE IN
THE AREA BEFORE FINAL DECISIONS ON A MECHANISM ARE MADE.
DURING THIS PROCESS IT IS ESSENTIAL THAT THE BEST
THINKING OF ALL THE COUNTRIES BE TAPPED.

WE HAVE ALREADY MADE GREAT PROGRESS IN ESTABLISHING A
NEW BASIS FOR RELATIONS WITH THE CARIBBEAN AREA. THE
PANAMA CANAL TREATY IS AN ESSENTIAL INGREDIENT SIGNIFYING
THE NEW APPROACH OF THE US TOWARD TREATING THESE COUNTRIES
AS EQUALS. THE FIVE LATIN AMERICA DEMOCRACIES MEETING IN
BOGOTA TO SUPPORT PANAMA ALSO INDICATED THEIR STRONG
DESIRE TO SEE US PLAY A LARGER AND MORE SIGNIFICANT ROLE
IN MEETING THE NEEDS OF THE CARIBBEAN. WE HAVE INCREASED
OUR AID FLOWS. STATE HAS ESTABLISHED A NEW SENIOR
POSITION TO FOCUS EXCLUSIVELY ON THE AREA. BUT MUCH
NEEDS TO BE DONE. WE NEED A COMPREHENSIVE STRATEGY TO
ASSURE THAT WE SUSTAIN HIGH LEVEL ATTENTION, THAT WE
DEVELOP A DIALOGUE IN DEPTH, THAT OUR ASSISTANCE IS
CONSISTENT WITH OUR INTERESTS. EVEN MORE IMPORTANT WE
MUST ENSURE THAT OUR ASSISTANCE PROGRAMS MULTIPLY THEIR
EFFECTS BY INVOLVING PRIVATE INVESTORS AND PROMOTING
COOPERATION WITHIN THE AREA. IN THOSE AREAS WHERE HUMAN
RIGHTS ARE A PROBLEM, WE MUST PRESS CONSISTENTLY FOR MORE
PROGRESS WHILE MAKING SURE THAT WE CONTINUE TO GIVE THE
ASSISTANCE AND SUPPORT COMMENSURATE WITH THE PROGRESS
BEING MADE. ALL THE COUNTRIES SHOULD BE ENCOURAGED TO
GIVE MORE ATTENTION TO THEIR RURAL AREAS WHERE THERE IS
MUCH POTENTIAL FOR IMPROVED PRODUCTION WHILE THE
CONDITIONS OF THE POOREST GROUPS ARE ADVANCED.

THE STATE DEPARTMENT HAS SET UP A TASK FORCE TO PREPARE
OPTIONS FOR OUR APPROACH TO THE CARIBBEAN OVER THE NEXT
CONFIDENTIAL

CONFIDENTIAL

PAGE 06 STATE 207584

FEW YEARS. THERE WILL BE SEVERAL DIFFICULT DECISIONS
INCLUDING THE RELATIONSHIP OF AN AID PROGRAM WITH
SPECIAL PURPOSES AND POLITICAL IMPORTANCE IN MIDDLE-
INCOME COUNTRIES TO WORLDWIDE AID POLICIES. THE LINK
TO OUR IMMIGRATION POLICY IS ANOTHER ISSUE. I WOULD
LIKE TO TALK WITH YOU FURTHER ABOUT MY TRIP WHEN IT IS
TIME TO MAKE THOSE DECISIONS. IN PARTICULAR I AM

CONVINCED THAT THE AMOUNT OF MONEY INVOLVED IS NOT AND SHOULD NOT BE THE MOST SIGNIFICANT ISSUE.

-- OUR AID LEVELS AND MODALITIES MUST BE RESPONSIVE TO THE REAL NEEDS OF THE AREA AND BE COMPREHENSIVE ENOUGH TO MAKE A REAL DIFFERENCE;

--WE WILL HAVE TO BE PREPARED TO DO MORE ON TRADE AND AID THAN ELSEWHERE IN THE WORLD IN SUCH AREAS AS PROMOTING

REGIONAL INTEGRATION, IMPROVING PRIVATE CAPITAL FLOWS, AND TRADE-CREATING MEASURES. END QUOTE. CHRISTOPHER

CONFIDENTIAL

NNN

CONFIDENTIAL

PAGE 01 STATE 207584
ORIGIN ARA-14

INFO OCT-01 IO-13 ISO-00 /028 R

66011

DRAFTED BY ARA/ECP:MLAWRENCE

APPROVED BY ARA/ECP:JBUSHNELL

DESIRED DIST: IO/UNA

-----118081 160325Z /64

P 160135Z SEP 77

FM SECSTATE WASHDC

TO USMISSION USUN NEW YORK PRIORITY

C O N F I D E N T I A L STATE 207584

FOLLOWING REPEAT STATE 207584 ACTION NAIROBI AUGUST 30.

QUOTE C O N F I D E N T I A L STATE 207584

E.O. 11652: GDS

TAGS: ECON, KE

SUBJECT: TRIP REPORT TO THE PRESIDENT

1. AS THE NSC HAS CALLED FOR A PRESIDENTIAL DECISION MEMO ON CARIBBEAN AID MODALITIES, AMOUNTS AND COORDINATION THIS WEEK, IT IS URGENT TO FORWARD YOUR TRIP REPORT TO THE PRESIDENT. THE FOLLOWING DRAFT HAS BEEN PREPARED BY EINAUDI AND BUSHNELL IN ARA WITH INPUTS FROM NSC, USUN,

AND AID. WOULD APPRECIATE YOUR REVIEWING AND SENDING TO THE PRESIDENT.

QUOTE. YOU WERE ABSOLUTELY RIGHT ON THE IMPORTANCE OF VISITING THE CARIBBEAN TO ADVANCE THIS ADMINISTRATION'S POLICY OF SIGNIFICANTLY IMPROVING US RELATIONS WITH THIS IMPORTANT AREA SO CLOSE TO US.

CONFIDENTIAL

CONFIDENTIAL

PAGE 02 STATE 207584

THREE FACTORS STRONGLY IMPRESSED ME:

--ALTHOUGH THIS IS A VERY DIVERSE AREA OF SMALL COUNTRIES, DEMOCRATIC INSTITUTIONS AND PROCEDURE ARE WELL ENTRENCHED WITH GOOD HUMAN RIGHTS IN MOST COUNTRIES; EVEN IN THE MOST DIFFICULT HUMAN RIGHTS COUNTRIES, HAITI AND THE DOMINICAN REPUBLIC, MY TRIP WAS USEFUL IN GETTING MEANINGFUL FORWARD MOVEMENT. IN SHORT, THE CARIBBEAN AREA HAS THE LARGEST GROUP OF BASICALLY DEMOCRATIC COUNTRIES IN THE ENTIRE

DEVELOPING WORLD. THEY SHOULD BE AMONG OUR MOST ACTIVE SUPPORTERS ON MANY UN ISSUES.

--THE ECONOMIC AND SOCIAL PROBLEMS OF THE AREA ARE IMMENSE; PLANTATION AGRICULTURE AND SPECIAL TRADE TIES TO A MOTHER COUNTRY ARE IN AN ADVANCED STAGE OF BREAKDOWN; ECONOMIC CLASS STRUCTURE IN PART ALONG RACIAL LINES IS ALSO BEGINNING TO BREAKDOWN; THERE IS A REAL DANGER THAT ECONOMIC AND SOCIAL PRESSURES AND THE PETTY POLITICAL JEALOUSIES WILL CAUSE INSTABILITY AND THE LOSS OF OPPORTUNITIES TO ATTAIN THE MODERN LIFE STYLES WHICH THE BASIC RESOURCES OF THE AREA COULD SUPPORT; AS THE EUROPEAN COUNTRIES--PARTICULARLY THE UK--WITHDRAW FROM THE AREA, A CONSTRUCTIVE APPROACH BY THE US CAN BE A CRITICAL CATALYST FOR CONSTRUCTIVE ACTION.

--WITH THE EXCEPTION OF HAITI AND PERHAPS PART OF THE DOMINICAN REPUBLIC, MOST OF THE COUNTRIES IN THE CARIBBEAN AREA ARE NOT TYPICAL OF THE DEVELOPING WORLD; IN FACT THEY ARE CLOSE TO US PSYCHOLOGICALLY AND ECONOMICALLY AS WELL AS GEOGRAPHICALLY. LITERACY IS HIGH, TRADITIONAL CULTURES HAVE BROKEN DOWN, INTELLECTUAL AND ECONOMIC

CONFIDENTIAL

PAGE 03 STATE 207584

CONTACTS WITH THE OUTSIDE ARE GREAT; THE PEOPLES OF THESE COUNTRIES ARE PREPARED AND WANT TO BE PART OF

THE MODERN WORLD SOCIETY; THE SMALL SIZE OF THEIR COUNTRIES VIRTUALLY REQUIRES THAT THEY TRADE WITH THE WORLD TO BE VIABLE. ALTHOUGH POVERTY AND UNEMPLOYMENT ARE HORRENDOUS PROBLEMS IN MOST OF THESE COUNTRIES AND POPULATION IS GROWING VERY FAST, THEIR PER CAPITA INCOMES ARE NOT LOW BY WORLD STANDARDS BECAUSE THEY ARE TRADING COUNTRIES, HAVE NATURAL RESOURCES, AND HAVE A RAPIDLY DEVELOPING MIDDLECLASS.

THE TIMING OF MY TRIP WAS POLITICALLY IDEAL. THE LARGER COUNTRIES OF THE ENGLISH-SPEAKING CARIBBEAN HAVE HAD GREAT ECONOMIC TRAUMA DURING THE PAST FEW YEARS, IN PART BECAUSE THE POPULAR DEMANDS FOR MORE SOCIAL SERVICES WERE OUTRUNNING THE ABILITY OF THEIR ECONOMIES TO FINANCE THEM. THEY HAVE EXPERIMENTED WITH VARIOUS FORMS OF NATIONALIZATION, CARTEL-ACTION, AND OPENINGS TO COMMUNIST SUPPORT. I BELIEVE THEY HAVE LEARNED THAT THERE ARE NO PANACEAS IN ANY OF THESE APPROACHES AND THEIR CONTINUED EXPERIMENTATION WITH LOCAL BRANDS OF STATE CONTROL OVER ECONOMIC ACTIVITY WOULD BECOME COMPATIBLE WITH OUR OWN INTERESTS.

OUR ADMINISTRATION'S EMPHASIS ON HUMAN RIGHTS AND GREATER FLEXIBILITY ON ECONOMIC MODALITIES HAVE RAISED HOPES THAT RELATIONS WITH US COULD BE IMPROVED AND THAT WE HAVE MUCH

IN COMMON. IN GUYANA WE CONFIRMED THIS BASIC IMPROVEMENT IN RELATIONS INDICATING THAT OUR INTEREST IN HUMAN RIGHTS AND DEMOCRATIC INSTITUTIONS OVERRODE ANY CONCERNS WITH THE FORM OF ECONOMIC ORGANIZATION. IN JAMAICA WE SIMILARLY SHOWED OUR SUPPORT FOR MANLEY'S MIDDLE-OF-THE-ROAD APPROACH.

SOME OF THE MOST INTERESTING MOMENTS OF THE TRIP WERE
CONFIDENTIAL

CONFIDENTIAL

PAGE 04 STATE 207584

IN COSTA RICA AND VENEZUELA. THESE DEMOCRATIC COUNTRIES ON THE PERIPHERY SEE THE CARIBBEAN AS PERHAPS THEIR ONLY WINDOW TOWARD DEMOCRATIC NEIGHBORS. OPEN AND PROSPEROUS COUNTRIES IN THE CARIBBEAN WOULD CONTRIBUTE GREATLY TO THEIR FEELING OF SECURITY. THEY BELIEVE ONLY THE US CAN PLAY THE KEY ROLE IN PROMOTING INTEGRATION AND COOPERATION IN THE CARIBBEAN AREA, AND THEY ARE WILLING TO COOPERATE FULLY WITH US. PRESIDENT ODUBER HAS A DREAM OF A DEMOCRATIC AND ECONOMICALLY PROSPEROUS CARIBBEAN WITH THE FULL COOPERATION BETWEEN THE ENGLISH AND SPANISH SPEAKING COUNTRIES AS A LOGICAL BRIDGE BETWEEN THE US AND LATIN AMERICA. THIS IS A DREAM WHICH WE MIGHT SHARE AND WORK TOWARD. THESE COUNTRIES CAN BE A BRIDGE, NOT ONLY TO LATIN AMERICA, BUT TO THE ENTIRE DEVELOPING

WORLD.

EXISTING LINKS WITH THE US ARE GREAT EVEN THOUGH THE SMALL SIZE OF THESE COUNTRIES MAKES OUR RELATIONSHIPS VERY ASYMMETRICAL. WE DEPEND ON THEM FOR MOST OF OUR BAUXITE AND MUCH OF OUR SUGAR. THEY DEPEND EVEN MORE ON US FOR TOURISM, PRIVATE INVESTMENT, AND TRADE. MIGRATION TO THE US IS LARGE. AFTER MEXICO THESE COUNTRIES GENERATE THE MOST UNDOCUMENTED ALIENS. SOME COUNTRIES, SUCH AS JAMAICA, HAVE BEEN LOSING AS MUCH AS ONE PERCENT OF THEIR POPULATION A YEAR TO EMIGRATION. THIS ESCAPE VALVE HAS BEEN CLOSING (ESPECIALLY IN THE UK) JUST AS STAGNANT ECONOMIES HAVE MADE UNEMPLOYMENT EVEN WORSE.

CAREFUL THOUGHT MUST BE GIVEN TO OUR ON-GOING APPROACH TO THE REGION, INCLUDING PARTICULARLY AID, TRADE, AND POLITICAL ATTENTION. WE HAD SOME PRELIMINARY DISCUSSIONS ON ORGANIZATION OF AN AID CONSORTIUM TO BRING TOGETHER CONFIDENTIAL

CONFIDENTIAL

PAGE 05 STATE 207584

THE MULTILATERAL INSTITUTIONS AND THE RICHER COUNTRIES IN THE REGION SUCH AS TRINIDAD AND VENEZUELA. EACH COUNTRY, HOWEVER, HAS ITS OWN IDEAS, WITH TRINIDAD PROPOSING USING THE IMF, AND VENEZUELA THE INTER-AMERICAN BANK, FOR COORDINATION. WE ALSO FOUND THAT THE MUCH SMALLER CARIBBEAN DEVELOPMENT BANK IS DOING SOME EXCELLENT WORK.

MORE THOUGHT SHOULD BE GIVEN TO WHAT NEEDS TO BE DONE IN THE AREA BEFORE FINAL DECISIONS ON A MECHANISM ARE MADE. DURING THIS PROCESS IT IS ESSENTIAL THAT THE BEST THINKING OF ALL THE COUNTRIES BE TAPPED.

WE HAVE ALREADY MADE GREAT PROGRESS IN ESTABLISHING A NEW BASIS FOR RELATIONS WITH THE CARIBBEAN AREA. THE PANAMA CANAL TREATY IS AN ESSENTIAL INGREDIENT SIGNIFYING THE NEW APPROACH OF THE US TOWARD TREATING THESE COUNTRIES AS EQUALS. THE FIVE LATIN AMERICA DEMOCRACIES MEETING IN BOGOTA TO SUPPORT PANAMA ALSO INDICATED THEIR STRONG DESIRE TO SEE US PLAY A LARGER AND MORE SIGNIFICANT ROLE IN MEETING THE NEEDS OF THE CARIBBEAN. WE HAVE INCREASED OUR AID FLOWS. STATE HAS ESTABLISHED A NEW SENIOR POSITION TO FOCUS EXCLUSIVELY ON THE AREA. BUT MUCH NEEDS TO BE DONE. WE NEED A COMPREHENSIVE STRATEGY TO ASSURE THAT WE SUSTAIN HIGH LEVEL ATTENTION, THAT WE DEVELOP A DIALOGUE IN DEPTH, THAT OUR ASSISTANCE IS CONSISTENT WITH OUR INTERESTS. EVEN MORE IMPORTANT WE MUST ENSURE THAT OUR ASSISTANCE PROGRAMS MULTIPLY THEIR

EFFECTS BY INVOLVING PRIVATE INVESTORS AND PROMOTING COOPERATION WITHIN THE AREA. IN THOSE AREAS WHERE HUMAN RIGHTS ARE A PROBLEM, WE MUST PRESS CONSISTENTLY FOR MORE PROGRESS WHILE MAKING SURE THAT WE CONTINUE TO GIVE THE ASSISTANCE AND SUPPORT COMMENSURATE WITH THE PROGRESS BEING MADE. ALL THE COUNTRIES SHOULD BE ENCOURAGED TO GIVE MORE ATTENTION TO THEIR RURAL AREAS WHERE THERE IS

CONFIDENTIAL

CONFIDENTIAL

PAGE 06 STATE 207584

MUCH POTENTIAL FOR IMPROVED PRODUCTION WHILE THE CONDITIONS OF THE POOREST GROUPS ARE ADVANCED.

THE STATE DEPARTMENT HAS SET UP A TASK FORCE TO PREPARE OPTIONS FOR OUR APPROACH TO THE CARIBBEAN OVER THE NEXT FEW YEARS. THERE WILL BE SEVERAL DIFFICULT DECISIONS INCLUDING THE RELATIONSHIP OF AN AID PROGRAM WITH SPECIAL PURPOSES AND POLITICAL IMPORTANCE IN MIDDLE-INCOME COUNTRIES TO WORLDWIDE AID POLICIES. THE LINK TO OUR IMMIGRATION POLICY IS ANOTHER ISSUE. I WOULD LIKE TO TALK WITH YOU FURTHER ABOUT MY TRIP WHEN IT IS TIME TO MAKE THOSE DECISIONS. IN PARTICULAR I AM CONVINCED THAT THE AMOUNT OF MONEY INVOLVED IS NOT AND SHOULD NOT BE THE MOST SIGNIFICANT ISSUE.

-- OUR AID LEVELS AND MODALITIES MUST BE RESPONSIVE TO THE REAL NEEDS OF THE AREA AND BE COMPREHENSIVE ENOUGH TO MAKE A REAL DIFFERENCE;

--WE WILL HAVE TO BE PREPARED TO DO MORE ON TRADE AND AID THAN ELSEWHERE IN THE WORLD IN SUCH AREAS AS PROMOTING

REGIONAL INTEGRATION, IMPROVING PRIVATE CAPITAL FLOWS, AND TRADE-CREATING MEASURES. END QUOTE. CHRISTOPHER UNQUOTE VANCE

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: PRESIDENT, REPORTS, VISITS
Control Number: n/a
Copy: SINGLE
Sent Date: 30-Aug-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977STATE207584
Document Source: CORE
Document Unique ID: 00
Drafter: JBUSHNELL:SAB
Enclosure: n/a
Executive Order: GS
Errors: N/A
Expiration:
Film Number: D770314-0014
Format: TEL
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t1977086/aaaaafbi.tel
Line Count: 478
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 9719635a-c288-dd11-92da-001cc4696bcc
Office: ORIGIN ARA
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 9
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 08-Feb-2005 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 1597281
Secure: OPEN
Status: NATIVE
Subject: TRIP REPORT TO THE PRESIDENT
TAGS: ECON, KE, XL
To: NAIROBI
Type: TE
vdkgvwkey: odbc://SAS/SAS.dbo.SAS_Docs/9719635a-c288-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
22 May 2009
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009